LOCAL AUTHORITIES BOARD

TWENTY-FIFTH ANNUAL REPORT 1985

Alberta

Alberta
LOCAL AUTHORITIES BOARD

Office of the Chairman

6th Floor, Pacific Plaza, 10909 Jasper Avenue, Edmonton, Alberta, Canada T5J 3L9 403/427-4278

January 30, 1986

The Honourable Don R. Getty
President of the Executive Council
Province of Alberta
307 Legislature Building
Edmonton, Alberta
T5K 2B7

Dear Mr. Getty:

I have the honour to submit herewith the Twenty-Fifth Annual Report of the Local Authorities Board for the year 1985.

In addition to providing the information required by Section 26 of the Local Authorities Board Act, this Report also presents a brief description of the Board, its responsibilities and significant activities which occurred during 1985.

Respectfully yours

C.I. Shelley
Chairman

From the Chairman

It is my pleasure to present the 25th Annual Report of the Local Authorities Board and review briefly our activities during 1985.

The number of applications approved for debenture borrowing increased from 360 to 399 and in monetary terms from $230,404,000 to $360,946,000, the latter representing an increase of 56.6%. The debentures were sold to the Alberta Municipal Financing Corporation, with the exception of one municipality, which went to the Canadian open market as their borrowing for a generating station did not qualify them for the A.M.F.C. sale.

The number of petitions received for annexation, separation and tax exemptions decreased slightly from 73 in 1984 to 56, mainly due to the Board's insistence over the past years to have the municipalities apply for comprehensive, instead of piecemeal annexations. Accordingly, most municipalities in the Province have adequate vacant land for 10 to 15 years.

Amendments to both the Municipal Taxation and the Municipal Tax Exemption Act cleared up the outstanding tax exemption cases and the number of still eligible applicants declined from 36 in 1984 to 26.

The Board, in accordance with Section 116 of the Local Authorities Board Act, received an application for a compromise of tax arrears, the first in its history.

Altogether, the Board conducted 52 hearings and issued 457 Board Orders during 1985 and collected $141,953 in fees compared with $113,445 last year.

The Minister of Municipal Affairs, at the end of 1984, set up the Debt Guideline Steering Committee with the objective of establishing terms of reference for proposal calls to engage a consultant whose recommendation for setting borrowing limits or guidelines was to be reviewed by said Committee. After nine meetings, and debating the Consultant's recommendations, the Committee forwarded its report on November 1 to the Minister.

In October the Board was represented at the annual meeting of the Alberta Urban Municipalities Association in Jasper.

In closing, I wish to express my appreciation to our staff for their contribution and hard work during the past year.

C.I. Shelley
Chairman

Introduction

Authority

The Board obtains its authority from the Local Authorities Board Act, Chapter L-27, Revised Statutes of Alberta 1980 as amended.

The Board

The Local Authorities Board of Alberta is an independent quasi-judicial tribunal. The Board has all such powers, rights, privileges and immunities as are vested in the Court of Queen's Bench with regard to proceedings, the attendance and examination of witnesses, the production and inspection of documents, the enforcement of its Orders, the payment of costs and all other matters necessary or proper for the due exercise of its jurisdiction or otherwise for the carrying into effect any of its powers.

The Orders, decisions, rules or regulations of the Board may, with leave, be appealed to the Court of Appeal on questions of jurisdiction or law but not on questions of fact. The Board's Orders relating to petitions for annexation have no effect unless approved by the Lieutenant Governor in Council who may approve the Order, prescribe conditions that the Order is subject to and approve the Order subject to those conditions, vary the Order and approve the Order as varied, or disapprove the Order.

The Board is not subject to direction by any Minister, Member of the Legislative Assembly, or government official in respect to its quasi-judicial duties.

The Members

The Local Authorities Board Act provides for not more than six persons appointed by the Lieutenant Governor in Council as members of the Board. A member of the Board holds office during pleasure.

J.A. Hammond
Full-time Member

B.T. Clark
Part-time Member

The Staff

The Board has ten staff members. The Financial and Territorial Services Divisions report to the Director of Administration and Board Secretary.

Support Staff

Location

The Board offices are located on the 6th Floor of the Pacific Plaza, 10909 Jasper Avenue, Edmonton, T5J 3L9 (telephone 403-427-4278).

Reporting and Audit

The Board reports to the Lieutenant Governor in Council through the Minister of Municipal Affairs. The Board's expenses are paid from the Province's General Revenue Fund and the accounts are audited by the Provincial Auditor General.

Financing

The Board operates on a fiscal year basis, April 1st to March 31st, and submits a yearly budget for approval to the Legislature. As of December 31, 1985, the Board was within its total budget. It is difficult to forecast expenditures accurately as the Board cannot estimate precisely the nature, extent and number of applications with which it must deal.

The table below indicates the details of the Board's budget:

Expenditure Groups	**1984-1985**
Manpower	$391,060.75
Supplies and Services	74,851.66
Total Expenditure	**$465,912.41**

The Board obtained $141,953 from fees during 1985 in connection with applications from local authorities for loan authorizations by way of debentures, petitions for annexation or separation of land, applications for tax exemptions, miscellaneous amendments, and copies of Orders, etc.

The Local Authorities Board Act — Other Acts Administered

Section 27 of the Local Authorities Board Act states that

(1) The Board has all the necessary jurisdiction and power

(a) to inquire into the merit of any application of a local authority for permission to raise money by way of debenture or on the security of stock;

(b) to supervise the expenditure of money borrowed by a local authority;

(c) to deal with the financial affairs of local authorities;

(d) to grant permission for the extension of the time for repaying the indebtedness incurred by a local authority for the cost of its public works;

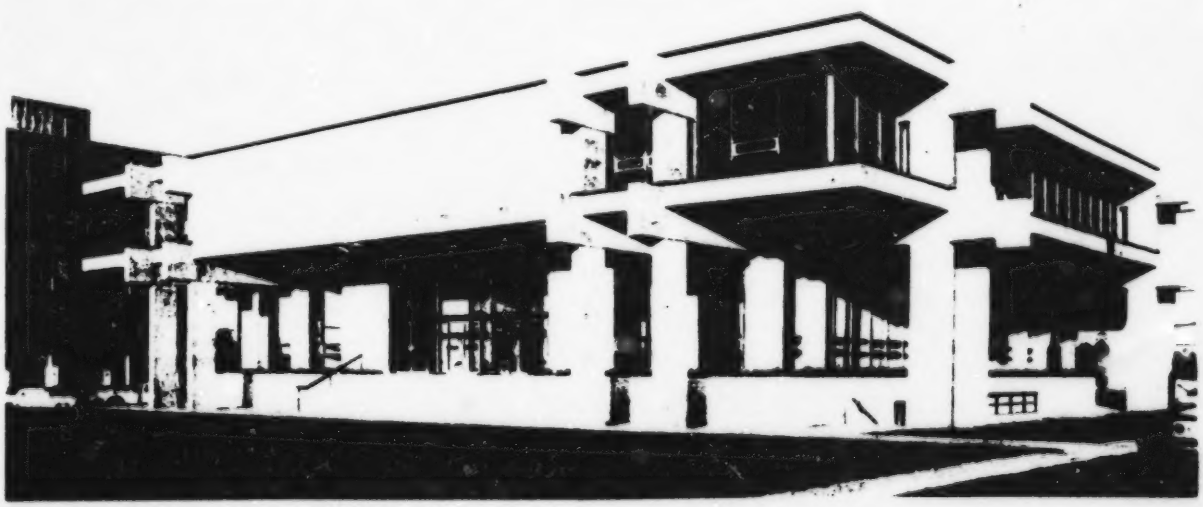
(e) to separate land from an urban municipality;

(f) to order compromises of tax arrears;

(g) subject to the approval of the Minister to establish limits for borrowing by local authorities.

(2) In addition to the jurisdiction and powers mentioned in subsection (1), the Board has all necessary jurisdiction and powers to perform any duties that are from time to time assigned to it by statute or pursuant to statutory authority.

In addition to the aforementioned legislation, there are also numerous sections within the Municipal Government Act which require the approval of the Board pertaining to various matters. There are also several sections within the Municipal Taxation Act, the Municipal Tax Exemption Act, the New Towns Act, the School Act, the Planning Act, the County Act, the Clean Water Act, the Irrigation Act, the Hospitals Act and the Tax Recovery Act that fall to a certain extent under the jurisdiction of the Board. The Board is bound by the Administrative Procedures Act.



Red Deer City Hall - 1961 - Approved by Board Order No. 137

The Board considers and decides upon matters falling into several categories:

E. Fries
Manager - Financial Services

R. Myroniuk
Manager - Territorial Services

A. Debt Creation and Debt Management

1. Applications by local authorities for authorization of debenture borrowings (the Local Authorities Board Act, the Municipal Government Act and the School Act).
2. Applications by local authorities for use of surplus debenture funds (the Municipal Government Act and the Local Authorities Board Act).

B. Financial Management

3. Applications for inquiry into the affairs of local authorities where financial difficulties are involved, including fixing by Order of the terms and conditions of any resultant financial control of the authority by the Board (the Local Authorities Board Act).
4. Authorization of financial programs for controlled local authorities including a New Town (the Local Authorities Board Act and the New Towns Act).

C. Taxation, Arrears and Special Assessments

5. Recommendations to the Lieutenant Governor in Council respecting applications by non-profit organizations for exemption from assessment and taxation of properties leased from the Crown or owned and either used by the organization or leased to other non-profit organizations (the Municipal Tax Exemption Act).
6. Applications for compromise of tax arrears (the Local Authorities Board Act).
7. Applications by municipalities for approval to carry out local improvement work and assess the costs thereof against the properties concerned, notwithstanding the lack of consent of the required majority of owners concerned (the Municipal Taxation Act).

D. Territorial Jurisdiction

8. Petitions for annexation or separation of lands to or from municipalities, including the fixing of terms and conditions of such annexation or separation (the Municipal Government Act, the Local Authorities Board Act and the County Act). The annexation Board Orders are subject to approval by the Lieutenant Governor in Council.

9. Applications for approval to acquire lands lying outside the boundaries of a municipality when consent of the municipality in which the lands are situated cannot be obtained (the Municipal Government Act).

10. Referrals by the Irrigation Council of petitions for formation, change of area, amalgamation or dissolution of Irrigation Districts, including the fixing of terms (the Irrigation Act).

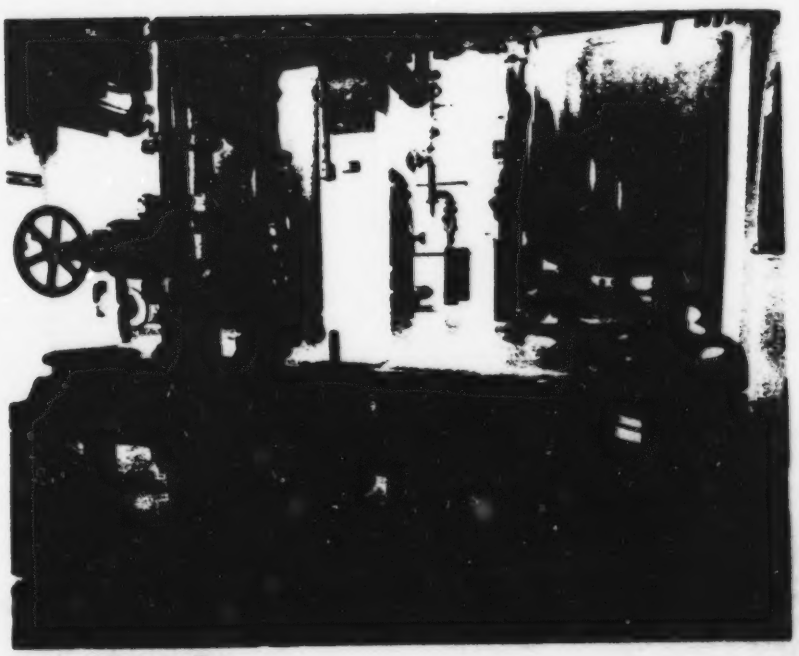
Other Matters

11. Recommendations to the Lieutenant Governor in Council concerning matters referred to the Board (the Local Authorities Board Act).

12. Applications to authorize the amendment or rescinding of municipal tax sharing agreements when mutual agreement cannot be reached (the Municipal Government Act).

13. Applications by ratepayers for examination of procedures in determining the sufficiency of a petition for or against a local improvement (the Municipal Taxation Act and the Municipal Government Act).

14. Applications by municipalities for establishment and maintenance of plans of insurance to cover municipal property losses and municipal legal liability to others arising out of accidents and occurrences (the Municipal Government Act).



Alix Water Treatment Plant

General

The Board communicates through its Orders, Recommendations and Regulations and does not report to any superior in respect to its day to day activities. However, the Board performs a number of functions to assist the Government, Legislative Assembly and municipalities while still maintaining its independence and quasi-judicial status.

Inquiries

The Board, of its own motion may, and upon the request of the Lieutenant Governor in Council shall, inquire into, hear and determine any matter or thing within its jurisdiction. Public hearings are generally held in respect to such inquiries with the result that the Lieutenant Governor in Council receives a report.

Reports

The Board reports its activities to the President of the Executive Council by means of its Annual Report.

Various internal reports describing the Board's activities are made available to the Minister of Municipal Affairs for his information.

Legislative Changes

When requested, the Board provides comments on proposed changes to legislation in respect to matters affecting the Board. Generally, the proposed changes to legislation are initiated by the Board or by the Government.

Orders in Council

The Board issues Orders and makes Recommendations for Orders in Council in respect to annexation and tax exemption matters respectively. The Lieutenant Governor in Council makes the decision whether or not to approve same.

Activities

The following is a summary of applications dealt with by the Board:

	Carried From 1984	New Added in 1985	Number Granted In Part or Full	Number Not Granted*	Outstanding as at Dec. 31, 1985
Financial					
Debenture	13	418	393	25	13
Temporary Financing	-	1	1	-	-
New Town Estimates	-	2	2	-	-
Use of Surplus Funds	3	21	20	4	-
Amendments	-	16	15	-	1
Miscellaneous	-	2	2	-	-
Territorial					
Annexation	14	18	17	7	8
Separation of Land	2	1	1	1	1
Tax Exemptions	7	36	14	17	12
Amendments	2	-	1	-	1
Miscellaneous	1	1	2	-	-

* Number Not Granted includes applications refused, returned or withdrawn

Summary

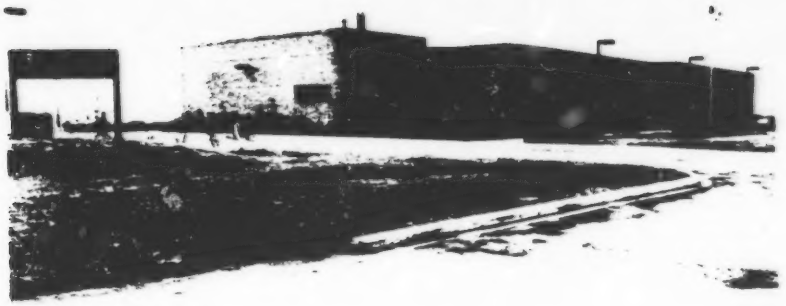
	Cities	Towns	Villages	Municipal Districts	Total
Number of Applications	5	4	7	1	17
Residential	110.57 (273.22)	18.21 (45.00)	66.59 (164.55)	- (-)	195.37 (482.77)
Industrial	204.12 (504.38)	52.23 (129.08)	83.24 (205.70)	- (-)	339.59 (839.16)
Commercial	59.22 (146.34)	- (-)	28.64 (70.77)	- (-)	87.86 (217.11)
Control	- (-)	112.38 (277.69)	- (-)	- (-)	112.38 (277.69)
Recreational	598.82 (1,479.71)	111.15 (274.65)	40.75 (100.70)	- (-)	750.72 (1,855.06)
Other	- (-)	- (-)	16.88 (41.72)	162.36 (401.20)	179.24 (442.92)
Total	**972.73** **(2,403.65)**	**293.97** **(726.42)**	**236.10** **(583.44)**	**162.36** **(401.20)**	**1,665.16** **(4,114.71)**

Camrose - Development of land annexed in 1961

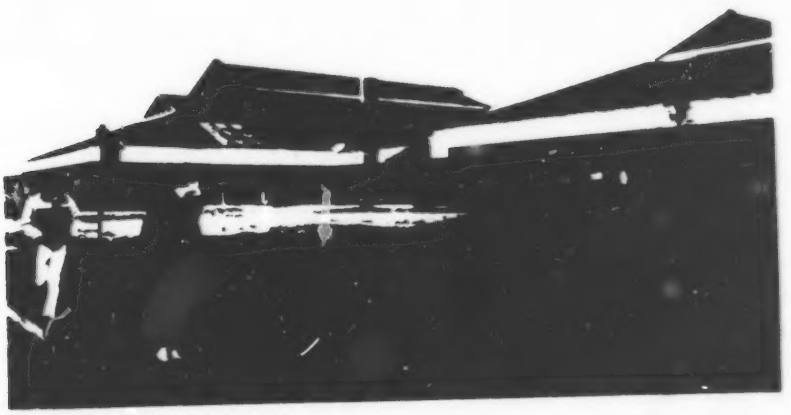
Debenture Borrowings Approved — 1985

(in Thousands of Dollars)

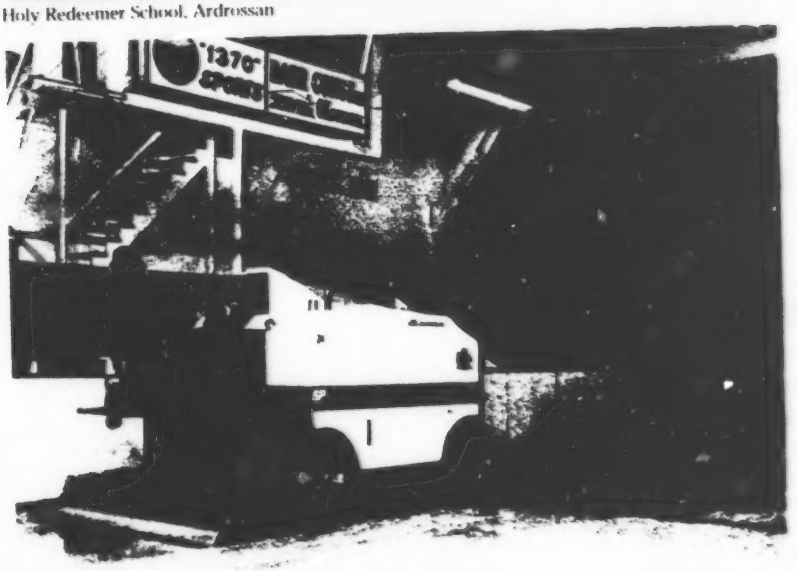
Category of Application	Cities	Towns and New Towns	Villages	Counties and Municipal Districts	School Divisions and Districts	Total
Sewer and Water						
* Approved	14	22	14	12	-	62
Amount Approved	46,692	6,210	889	2,236	-	56,027
Roads, Bridges, Curb, Gutter and Sidewalk						
* Approved	61	47	7	3	-	118
Amount Approved	39,001	5,561	746	649	-	45,957
Land and Municipal Buildings						
* Approved	14	4	-	-	-	18
Amount Approved	28,404	282	-	-	-	28,686
Vehicles, Equipment and Machinery						
* Approved	15	9	-	-	-	24
Amount Approved	16,596	477	-	-	-	17,073
Utilities						
* Approved	5	2	-	-	-	7
Amount Approved	38,849	312	-	-	-	39,161
Parks and Recreation						
* Approved	3	2	1	-	-	6
Amount Approved	6,886	492	200	-	-	7,578
School						
* Approved	-	-	-	53	108	161
Amount Approved	-	-	-	34,120	130,309	164,429
Health and Community Services						
* Approved	2	-	-	-	-	2
Amount Approved	59	-	-	-	-	59
Subdivision and Development						
* Approved	1	-	-	-	-	1
Amount Approved	1,976	-	-	-	-	1,976
Total						
*** Approved**	**115**	**86**	**22**	**68**	**108**	**399**
Amount Approved	**178,463**	**13,334**	**1,835**	**37,005**	**130,309**	**360,946**



Airdrie R.C.M.P. Building

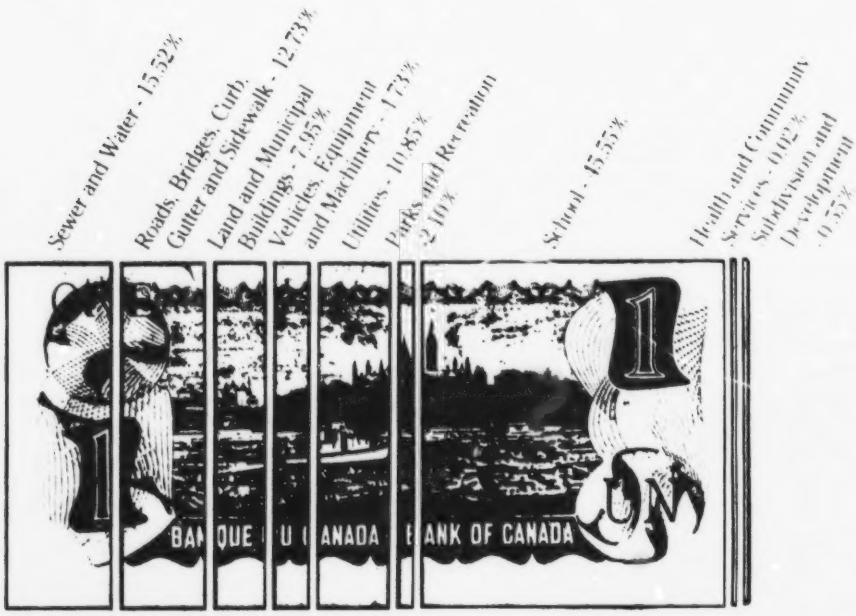


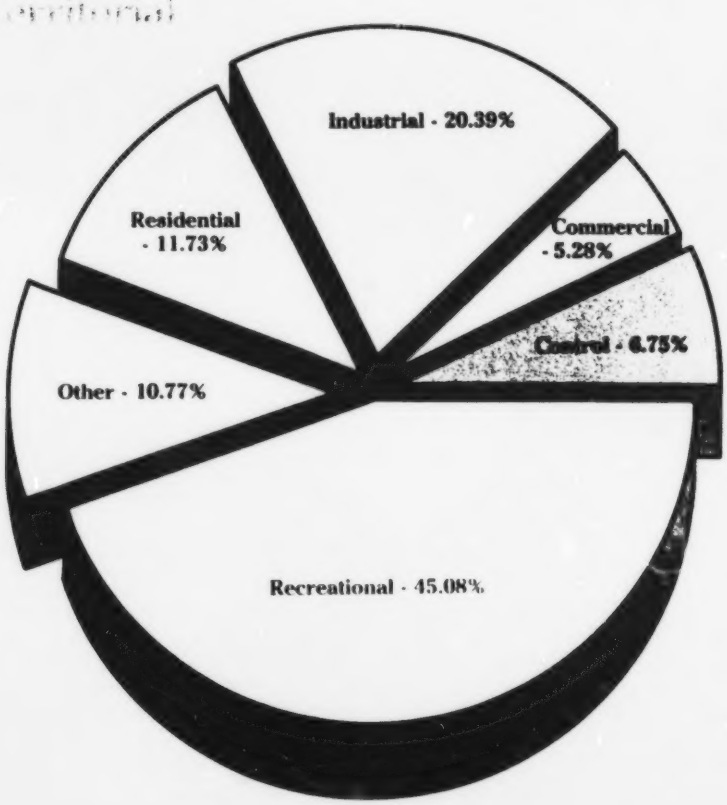
Holy Redeemer School, Ardrossan



Barrhead Arena Equipment

Distribution by Purpose


Sewer and Water - 15.52%
Roads, Bridges, Curb, Gutter and Sidewalk - 12.73%
Land and Municipal Buildings - 7.95%
Vehicles, Equipment and Machinery - 1.73%
Utilities - 10.85%
Parks and Recreation 2.10%
School - 45.55%
Health and Community Services - 0.02%
Subdivision and Development 0.55%
BANK OF CANADA



Summary

Financial Applications Approved by Local Authority

Cities

Calgary	31
Camrose	13
Drumheller	2
Edmonton	41
Fort McMurray	5
Fort Saskatchewan	1
Grande Prairie	2
Lethbridge	5
Medicine Hat	7
Red Deer	7
St. Albert	1
Wetaskiwin	11
	126

Towns

Athabasca	1
Barrhead	2
Bassano	1
Beaumont	2
Beaverlodge	1
Black Diamond	2
Bon Accord	1
Bow Island	1
Bruderheim	2
Canmore	3
Castor	1
Coaldale	1
Devon	3
Drayton Valley	1
Edson	2
Elk Point	5
Fort Macleod	5
Gleichen	1
Grimshaw	2
High Level	3
High Prairie	3
High River	2
Killam	1
Lamont	1
Magrath	1
Manning	1
McLennan	1
Milk River	1
Nanton	1
Peace River	1
Picture Butte	4
Ponoka	8
Rainbow Lake, New Town	4
Redcliff	1
Rimbey	2
Slave Lake	1

Towns continued

Spirit River	1
Spruce Grove	3
Stavely	2
Stettler	3
Stony Plain	2
Sundre	1
Taber	1
Three Hills	2
Tofield	1
Trochu	1
Valleyview	3
Vauxhall	2
Vermilion	1
Wainwright	2
Westlock	1
	99

Villages

Alix	1
Beiseker	2
Bentley	1
Blackie	1
Boyle	1
Breton	2
Chipman	1
Consort	1
Donnelly	2
Duchess	1
Heisler	1
Hines Creek	1
Holden	1
Hussar	1
Innisfree	1
Kitscoty	2
Linden	2
Rockyford	1
Standard	1
Strome	1
Warner	1
Youngstown	1
	27

Counties

Grande Prairie #1	2
Vulcan #2	2
Ponoka #3	2
Newell #4	2
Warner #5	3
Stettler #6	1

Counties continued

Thorhild #7	1
Beaver #9	2
Wetaskiwin #10	1
Barrhead #11	10
Athabasca #12	1
Lacombe #14	2
Wheatland #16	1
Mountain View #17	1
Paintearth #18	1
St. Paul #19	1
Strathcona #20	4
Two Hills #21	1
Camrose #22	1
Red Deer #23	3
Vermilion River #24	3
Leduc #25	8
Lethbridge #26	1
Minburn #27	1
Lac Ste. Anne #28	2
Flagstaff #29	1
Lamont #30	1
Parkland #31	6
	65

Municipal Districts

Pincher Creek #9	1
Rocky View #44	2
Sturgeon #90	1
	4

School Districts

Calgary R.C.S. #1	7
St. Albert #3	1
Glen Avon Protestant S. #5	1
St. Albert Protestant S. #6	2
Edmonton R.C.S. #7	3
Edmonton #7	3
Lethbridge C.S. #9	4
Vegreville C.S. #16	1
Calgary #19	6
Medicine Hat R.C.S. #21	1
Drumheller R.C.S. #25	1

School Districts continued

Fort McMurray R.C.S. #32	1
Lethbridge #51	3
Taber R.C.S. #54	1
High Prairie R.C.S. #56	1
Camrose R.C.S. #60	1
Medicine Hat #76	6
Fort Saskatchewan R.C.S. #104	1
Red Deer Public #104	6
Lakeland R.C.S. #150	1
Leduc #297	1
Camrose #1315	2
Brooks #2092	2
Redcliff #2283	1
Grande Prairie #2357	3
Fort McMurray #2833	3
Swan Hills #5109	1
Lakeland Public #5460	1
	65

School Divisions

Cypress #4	1
Taber #6	2
Acadia #8	6
Peace River #10	2
Yellowhead #12	3
Rocky Mountain #15	4
Willow Creek #28	1
Pincher Creek #29	1
Starland #30	1
Provost #33	1
Westlock #37	1
Foothills #38	2
Rocky View #41	2
Spirit River #47	1
High Prairie #48	3
Fairview #50	1
Fort Vermilion #52	4
East Smoky #54	1
Three Hills #60	1
Northland #61	8
Mount Rundle #61	1
	47

Summary

Annexation Applications Granted by Local Authority

Cities

Calgary	1
Drumheller	3
Wetaskiwin	1
	5

Towns

Bonnyville	1
Canmore	1
Fort Macleod	1
Stavely	1
	4

Villages

Carbon	1
Caroline	1
Kitscoty	1
Lomond	1
Mannville	1
Ryley	1
West Cove (S.V.)	1
	7

Municipal Districts

Pincher Creek #9	1
	1

Elk Point Library

Summary

Applications by Category of Local Authority

Category of Local Authority	Financial Applications	Annexation Applications
Cities	126	5
Towns	99	4
Villages	27	7
Counties	65	-
Municipal Districts	4	1
School Districts	65	-
School Divisions	47	-
Totals	**433**	**17**

Two Hills Water Tower - 1961 - Approved by Board Order No. 9